affordable prices, while providing to the fertilizer manufacturers a reasonble return on their net worth.

The amount of subsidy/concession paid during 1997-98, 1998-99, 1999-2000 and 2000-2001 are as follows:

(Rs. in crore)

S. No.	Period	Amount of subsidy paid on urea#	Amount of concession paid on decontrolled phosphatic and potassic fertilizers #
1.	1997-98	7321.96	2595.85
2.	1998-99	7597.22	3789.94
3.	1999-2000	8744.07	4500.00
4.	2000-2001	9481.00	4319.00

Price fixation policy for fertilizers

†642. SHRI VIJAY SINGH YADAV: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Ministry of Chemicals and Fertilizers have examined the recommendations of the Expenditure Reforms Commission with regard to price fixation policy for fertilizers;

(b) if so, the details thereof and the reaction of Government thereto;

(c) whether concerned Ministries, State Governments and Fertilizer Industry have been consulted in this regard;

(d) if so, the details thereof and the main observations made by the State Government with regard to new pricing policy; and

(e) by when the new pricing policy is likely to be announced?

THE MINISTER OF STATE IN THE MINISTRY OF

#Inclusive of subsidy/concession on imported fertilizers.
†Original notice of the question was received in Hindi.

CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (e) The Ministry of Chemicals & Fertilizers have examined the recommendations of the Expenditure Reforms Commission (ERC) regarding fertilizer subsidies in consultation with the concerned MinistriesDepartments of the Government of India, Fertilizer industry and State Governments, ERC has recommended dismantling of the existing Retention Price-cum-Subsidy Scheme (RPS) and total decontrol of urea in a phased manner. ERC has also recommended uniform rates of concession for each category of urea units after dividing them into five groups based on feedstock used and vintage of the plants. ERC has also recommended a 7% increase in price of urea in real terms every year. For protecting the small and marginal farmers against the price rise of urea, the Commission has suggested introduction of dual price scheme through tradable coupons and expansion of Employments Guarantee Scheme and rural works programmes to increase their* purchasing power.

Many State Governments have expressed their views against some of the recommendations of ERC, particularly pertaining to 7% annual increase in farm gate price of urea, replacement of existing RPS by a group based concession scheme based on averaging of retention prices dual price scheme etc.

After examining all the relevant aspects and the views of the fertilizer industry and State Governments on ERC's recommendations, Government expects to finalise the new pricing policy for urea units shortly.

Fertilizer Policy

643. SHRI K. RAMA MOHANA RAO:
SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI S. AGNIRAJ:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government of India are thinking of introducing a fertilizer policy;

(b) if so, the details thereof;